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THE ADVERTISING PLAN OF TOYOTA CAMRY FOR
TOYOTA MOTOR THAILAND CO., LTD.

A Project
Presented to the
Faculty of
California State University,
San Bernardino

In Partial Fulfillment
of the Requirements for the Degree
Master of Arts
in
Interdisciplinary Studies

by
Ampika Kosumapa


March 2004

THE ADVERTISING PLAN OF TOYOTA CAMRY FOR
TOYOTA MOTOR THAILAND CO., LTD.

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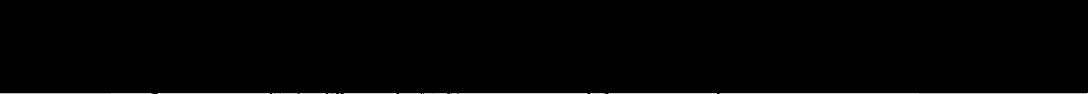
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March 2004


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ABSTRACT

Toyota Camry has been the best-selling automobile in its class (mid-sized sedan) segment in Thailand since 1999 (Teeradech, 2002). The advertising plan in this paper is created for Toyota Motor Thailand Co., Ltd.

1) to maintain the leadership position of the Toyota Camry in its market; 2) to reposition Camry as a luxury and up-style car; 3) to support the increase in product price; and 4) to gain new buyers.

The project is divided into five chapters. The first chapter includes the introduction, statement of purpose, the limitation of the project, and the framework of the project. The second chapter reviews the literature focusing on advertising concepts, advertising roles, advertising budgets, advertising objectives, advertising target selection, media, media strategies, and media tactics. The third chapter illustrates the methodology of this project, particularly in regard to media. The fourth chapter develops the advertising plan including the advertising objective, target selection, message strategy, media objective, media strategy, media budget allocation, media mix and type, media format and media

classes, and geographic use of media. The last chapter is the summary of the project.

ACKNOWLEDGMENTS

I would like to thank my committee chair, Dr. Frederick Hebein who has given me an endless amount of guidance and encouragement to make the completion of this project possible. Also, I would like to thank my committee members Dr. Heather Hundley and Dr. Eric Newman for their support with this project.

DEDICATION

To my dad Karan
and my mom Patchanee

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CHAPTER ONE

INTRODUCTION

Toyota Motor Corporation in Japan was established to produce and sell cars domestically in 1937. Toyota Motor Corporation is the world's third largest automaker and offers a full range of auto models, from small vehicles to large trucks (Teeradech, 2002). Toyota has 56 manufacturing centers in 27 countries and it has 12 manufacturing plants in Japan. Toyota markets its vehicle in more than 170 countries across the world (Warut, 2003).

Warut (2003) stated following:

In 1957, Toyota Motor Corporation decided to choose Thailand as a first base to expand business to foreign countries and registered Toyota Motor Sale Co., Ltd. (Thailand) in Bangkok. In 1989, Toyota Motor Sale Co., Ltd. (Thailand) reorganized to Toyota Motor Thailand Co., Ltd. And one year later it changed the dealer system from commission dealer to credit dealer with total number of 34 dealers. Toyota Motor did a joint venture with Siam Cement Co., Ltd. in 1987 to produce engines for cars assembled domestically and for export and established Toyota Body service in 1993 which was the largest body and paint repair center in Asia. Now, Toyota Motor owns three car assembly plants that have the production capacity over 100,000 cars per year. (§. 7)

In 2002, Toyota Motor Thailand Co., Ltd. introduced a new Camry to the market as the new innovative vehicle from Toyota which was three steps ahead of competitors in terms of high technology (styling technology, space technology, and driving technology) and luxury style (Teeradech, 2002). Toyota Motor needs an effective advertising plan for new Camrys to: 1) create brand awareness; 2) increase brand preference; 3) stimulate consumers' purchase decisions; 4) raise image as a up-style car; and 5) enhance the market share.

Statement of Purpose

This project targets the efforts of Toyota Motor Thailand to create an effective advertising plan for Camry. Thus, the main issue for consideration is posited as "How the advertising plan for the Toyota Camry create its brand awareness and increases market share to maintain itself as a market leader for medium-sized personal cars in the Thai market?"

Limitation

In order to present the final conception of the Toyota Camry advertising plan for the most effective advertising communication, this study focuses primarily

on the advertising plan based on the perspective of the advertising agency which prepared the advertising material for Toyota Motor Thailand Co., Ltd. For the purpose of this study, due to the time constraint, the marketing plan (market analysis, cost structure, etc.) and the company internal analysis (in term of company profitability, customer satisfaction) is treated separately from the advertising plan.

Framework of the Project

This study presents a framework for advertising planning and decision-making, which focuses on three main tasks. The first task is the development of an operational advertising objective and target selection. The second task is the development of a message strategy and a message tactic in order to create the best and most effective way to communicate the advertising content. The last task involves with media strategy and media tactics concerning how much money will be spent on the advertising campaign and how to allocate media in the most effective way.

CHAPTER TWO

LITERATURE

The car market in Thailand is a fiercely competitive market. Memories of the last financial crisis are painful but necessary reminders for all sectors, especially the automotive industry, where 60% of sales disappeared from the high point (about 570,000 units) when the financial crunch hit in 1998 (Teeradech, 2002).

According to Automotive Resource Asia Data, the automotive industry in Thailand has proven quite resilient. However, while there remains many competitors in the automobile market, the demand for automobiles has declined. The automobile industry in 2002 has a new vehicle sale target of 400,000 units, with sales expected to increase by 17.5% in 2003 to about 470,000 units, substantially below past peak of 570,000 units (Teeradech, 2002). As a result, the key to boost sales momentum will be an effective marketing and advertising plan that keeps the company healthy and competitive in the current weak but recovering economic situation.

Advertising Concept

Bovee and Arens (1986) defined advertising as the non-personal communication of information usually persuasive in nature about products, services, or ideas by identified sponsors through the various media.

Bovee and Arens (1986) indicated that after elements of the marketing mix (product, price, place, and promotion) are determined, the company can add or modify its promotional activities. Promotion may be defined as the marketing-related communication between sellers and buyers. Promotional activities usually consider advertising as an important part of the promotion mix.

Bovee and Arens (1986) found the following: Advertising has been called mass or non-personal selling which is used to inform, persuade, and remind customers about particular products and services. Some products, of course, lend themselves to advertising more than others. Factors favoring advertising factors are: 1) High primary demand trend for the product; 2) Chance for significant product differentiation; 3) High relative importance to consumer of hidden qualities as opposed to external qualities; 4) The opportunities to use strong emotional appeals; and 5) Substantial sums to support advertising. (p. 115)

Gaw (1961) defined advertising as a tool for selling ideas, goods, or services to a group; it employs paid space or time or uses a vehicle to carry its message that

does not disguise or hide the identity of the advertiser or his or her relationship to the sales effort.

"In general advertising is a phenomenon associated with competitive activity. It is a tool used by a firm to attempt to capture market share from its competitors"

(Myers & Aaker, 1975, p. 57).

Advertising Role

White (1980) stated the following:

Advertising has a role to play in the fulfillment of marketing strategy. Because advertising is not the only element in the overall marketing mix, advertising's role is almost certainly only part of the marketing strategy. However, advertising's role may be anything from increasing brand awareness to improving specific aspects of the brand image. (p. 68)

Thus, White (1980) indicated that it is possible to define the role of advertising for a product or brand as:

- maintaining the loyalty of existing buyers, and to encourage them to use more;
- encouraging non-users to sample the product;
- informing consumers, especially lapsed users, that the product has been improved or reformulated;

- developing the belief among both users and, ideally, non-users, that the brand is technically superior to competitors;
- increasing awareness of the brand and its characteristics.

In other words, the main functions of advertising are to attract attention, obtain awareness, create preference, motivate to purchase, maintain demand, support distribution channels and improve the total selling environment. Advertising also enhances the company's reputation, establishes its position, stimulates employees, and attracts new people (Johnson, 1930).

More than a decade ago, the Audience Concept committee of the Advertising Research Foundation conducted a survey to determine advertising's actual contribution in the marketing process. Advertising should be viewed as a tactical tool for achieving a profitable operation for a company. Dr. Shull, economist and educator, points out that "to the extent advertising stimulates sales and reduces excess capacity, it reduces

the impact of other cost on profit". (Shull, 1965, p. 219).

Still further, in terms of implementing increased efforts to dispose of more and different products resulting from ever higher levels of technological proficiency, advertising is a force that increases productivity. It will deliver a sales message for pennies compared with dimes to deliver a selling message via retail sales people or compared with dollars per selling message delivered via the manufacturer's salespeople. Advertising's share of sales dollars is on a rising curve because it is a more efficient mean of marketing communication (Quera, 1977).

Schudson (1984) reported on one of the greatest advertising campaigns that clearly illustrated where the investment in advertising caught the peak of the sales wave. Volkswagen invested heavily in advertising for the first time in 1959. By that time, Volkswagen car and truck registration in the United States had grown from 30,928 in 1955 to 55,690 (80% annual growth rate) in 1956; to 79,524 (43% annual growth rate) in 1957; to 104,306 (31% annual growth rate) in 1958; and 150,601 (44% annual growth rate) in 1959. The increase of 27

percent or 41,000 cars in 1960 also made it a banner year, which perhaps was accounted for in some measure by advertising. Although the 1960 sales increased substantially, the figures still showed a smaller percentage growth compared to the previous years (Endicott, 1972).

Advertising can help the company increase sales revenue and reduce sales expense by reaching the potential customer inexpensively. For example, in 1986 television was important in marketing activities in Australia because of the great distances involved. In each television marketing area, the Toyota dealer, Toyota factory representative, and their advertising agency (SSB Weston Advertising) contributed an agree-upon amount (usually A25\$ to A50\$) per unit into a "spending pool" called Toyota Dealer Advertising Fund (TDAF) in order to fund the advertising and sale promotion activities. Figure 1 demonstrates how Toyota enlarged its market share by heavy use of TV commercials and advertising.

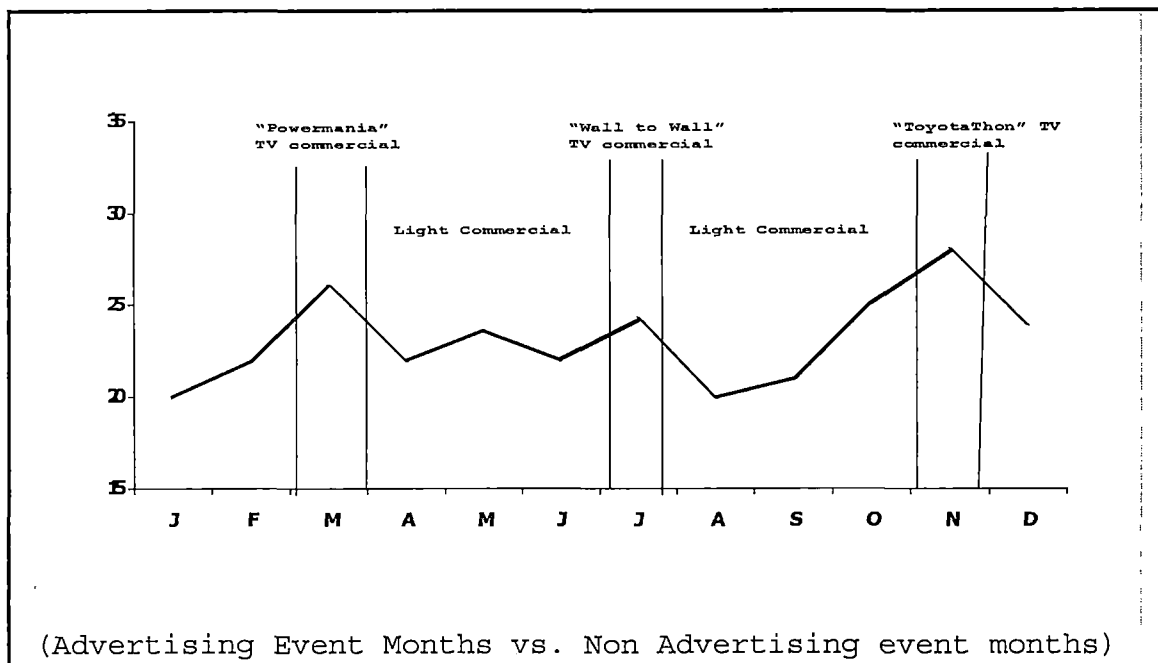


Figure 1. Toyota Market Share in Australia-1986

The Toyota Australia case in 1986 showed that advertising plays a key role in the marketing program in the Australia automotive market to generate more sales revenue. Similarly, advertising plays a major role in marketing strategy for the automotive industry in other countries, including Thailand.

Moreover, marketers must keep in mind that advertising does more than inform. In the words of Hobson, "advertising a service of suggestion; more than information, a little less than persuasion; sometime introducing new variants of existing satisfactions, sometime evoking latent wants that people had not

realized they can now afford, sometime reminding of goods that gave satisfaction before" (Hobson, 1966, as cited in Backman, 1967, p. 12).

Honda's new U.K. spot for its Accord, "Cog", is a refreshing reminder that advertising work can still be brilliant and devilishly effective. The Advertising Age article indicated that the 120-second long TV spot, made by Wieden and Kennedy, London, captured the British public's imagination, gained press coverage galore and flooded e-mail inboxes at a rate matched by few other campaigns (Halliday, 2003).

"Cog" is not just a creative award winning ad, it fits brilliantly with the elegant, educated image of Honda; it speaks to the precision engineering of Honda's car parts, and thus to the car's reliability. In less than a month, Honda's U.K. website went from being the seventh-most-visited automaker site to number two, and calls to its contact center have tripled. The interactive version of the ad on Sky TV prompted more requests for information than any ad ever run on the service. In other words, "Cog" is doing its job of generating thousands of sale leads.

Planning and Advertising

White (1980) indicated that after the role of advertising has been defined, advertisers have to set advertising objectives and create advertising strategies to meet objectives. The sort of objectives which are appropriate for advertising address awareness and understanding of the brand, and attitudes and opinions people have about the brand.

Advertising Budget

Jones (1987) indicated that in order to predict advertising expenditures, two main aspects need to be considered: The size of consumer spending, and average margin. The lower the margin, the less money available.

On the positive side, the overall level of the industry's profit is a good indicator to predict the advertising expenditure.

Seligman (1957) indicated that the procedure for setting the advertising budget is relevant because it provides an intelligible relationship between advertising funds and advertising requirements of the many traditional approaches to determining advertising budget appropriation; the per-cent-of-sales concept has been the

most popular over the years. In its simple form, this approach can be seen in companies that make their appropriations a fixed percentage of the previous year's sales. This procedure has the advantage that expenditures are related to available funds. However, the difficulty of this procedure is that advertising becomes the result of sales, rather than the cause. This method also makes no allowance for the possibility that declining sales may have been brought about by too little advertising. Worst of all, from this procedure, companies may overspend in situations where they have no chance in the market place and under spend when the greatest opportunities arise. For all of these reasons, per-cent-of-previous-sales formula is not always a good method to set the advertising budget.

According to Seligman (1957), it is economic for a company to advertise until the added cost of advertising is just equal to added profit created, or until the return on advertising drops below the return on alternate forms of investment.

Advertising Objective

White (1980) found the following:

For an established and successful brand, the objective is 1) to maintain a high level of awareness of the brand; 2) to maintain the high level of belief in the brand's superiority over its main competitor on certain key attributes of the product type; and 3) to encourage people to offer the product to their visitors. For a new or growing brand, the objectives will refer to the same sort of aspects of the market situation, but will be more concerned with increasing awareness, in developing a favorable view of the product, and in persuading new buyers to try the product. (p. 71)

Target Selection

Gensch (1973) identified that the advertiser usually considers certain members of the mass audience to be of greater importance than other members. Advertising has been designed for and will have greater effect upon a certain subset of the total audience. People, who are thought to have a high probability of buying the product or service being advertised, or taking some actions that are desirable by the advertisers, are identified as the target population. This target selection may be identified and valued on the basis of past purchasing, personality traits, social variables, or economic variables.

Media

According to Dean (1980), using media is the accepted way for any business to communicate with current and potential customers. Television, radio, newspaper, magazine, billboard, bus or taxi card, direct mail, internet, telephone directory listing are all media. These can be called the "major media", due to the fact that these media reach a large number of the population.

Gaw (1960) indicated the following:

Most media experts tend to agree that the different kinds of media should not be considered as competitive. Rather, each offers unique advantages, and, virtually always, media are used in combination with one another. However, one factor that limits advertisers in their choices is the budget within they must work. No company can fully utilize all available media; even if financial ability permitted doing so, following such a policy would create a tremendous amount of wasted advertising. The media choice must be made intelligently if it is to provide the advertiser with a high return, in term of sales, on his investment. (p. 135-136)

Which medium is the best? For advertising, the answer is, "it all depends." It depends on the product, on the marketing target, and on the budget available. Many experts would also say it depends on the copy theme and creative approach, and in practice it often does. There are few copy points however, which cannot be well

expressed in varieties of media, even though each may make its own special technical demands in expressing the story best (Bogart, 1984).

According to Bogart (1984) in evaluating a medium, the advertiser must think in terms of what he or she will get out of it in terms of position, timing, scheduling, and public attention, rather than of the medium in abstract.

Understanding the nature of each media vehicle is an essential component of making the right decision for a specific medium to effectively reach the target market. According to Dean (1980) there are differences in all media. The differences make the use of each media more effective for some products or services than others. Here is the brief description of each major media.

Television combines visual images with audio. It allows advertisers to "show and tell" their potential and current customers exactly what service or product they offer. Due to the combination of images, TV is often considered as the strongest advertising medium advertisers can use. It is also considered as the most expensive medium (Dean, 1980).

Radio relies on audio to attract attention and create interest. It must be carefully created and placed, in order to give the best results. If this is done, a radio campaign could establish product or service identity in the customers' minds. Radio is usually not as expensive to produce and to run as television advertising, and can be quite an effective medium for the small advertiser (Dean, 1980).

Newspaper offers the advertisers great flexibility, both in timing and creative technique. A given quantity of newspaper space can be divided into a very large number of units and shapes, and these can be scheduled to fit the advertiser's needs. However, society today has become more mobile and faster-paced, television news coverage has become more complete, and as spare time has become more valuable, newspaper readership has begun to drop (Dean, 1980).

Four-color advertising in magazines affords the advertisers an opportunity to picture and describe their products faithfully and attractively. Magazine advertising offers useful information and in-depth

product or service description to readers. Bogart

(1984) stated the following:

Big or small, a great magazine has character, a unique personality that sets it apart from the others that resemble it. The vitality and force a magazine exudes can have great value for the advertiser if he or she can harness the tone of his or her message to the large editorial force around it. (p. 183)

Outdoor advertising could be billboards, bus cards, or outdoor posters for instance. Outdoor advertising can be a valuable extra medium, either for establishing image, or as a direction aid. Since a person who is driving past a billboard has only a few seconds to read and grasp a message, this form of advertising must be carefully designed to be effective. The task for outdoor advertising is to create a quick impression, a reminder that the product or service exists. Outdoor advertisers seek to maintain a reference point in consumers' minds for possible future actions, but actually they can normally take desired actions only by reinforcing the effect of previous impressions from other sources (Bogart, 1984).

Media Strategies

Avery (1997) indicated that the media strategy format should include combinations of the following elements.

- 1) Media mix and types: the strategy should identify what types of media they will use and how they will mix them.
- 2) Media format or classes: this is the plan that will identify the subgroups within each medium. The strategy will ascertain which parts will be used in television, and whether it will be spot or network. The statement will identify which group of magazines-national, news, fashion, etc. will be used.
- 3) Geographic use of media: The specific methodology that will be used to determine which markets will receive advertising support, and those which will not should be included in this strategy statement.

Brand development is a good starting point for determining where marketing funds will be allocated.

- 4) Seasonal use of media: Avery (1997) indicated the following:

The same is true of seasonal use of media as it is of geographic use. If the objective is to put more advertising in those months when sales have always been the best, then strategically the statement might read: to advertise in key sales months with secondary emphasis given to lesser sale periods. (p. 160)

Media Tactics

Avery (1997) indicated that the media tactics segment of the media plan should include the following aspects and that each should be on separate page.

- 1) Media Vehicles: This chart should be a simple list of the vehicles recommended by the plan, separated by medium.
- 2) Reach, Frequency, and GRP summary: These numbers should be shown by quarter and total year. The following is a good set-up for the chart that will be completed for this tactic (see Figure 2).

Product Brand Reach, Frequency, and Gross Rating Point Summary								
	1st Q		2nd Q		3rd Q		4th Q	
	R/F	GRP	R/F	GRP	R/F	GRP	R/F	GRP
National								
Magazine								
Network								
Total national								
"A" Market:								
Spot TV								
"B" Market:								
Spot TV								

Figure 2. Reach, Frequency, and Gross Rating Point
Summary Chart

- 3) Cost Summary: The media plan should also be shown by quarter and by total year. Some corporations will require a specific split of money from quarter to quarter or from first half to second half. The following chart shows the percentage for each medium by time (see Figure 3).

Product Brand Cost Summary								
	1st Q		2nd Q		3rd Q		4th Q	
	\$	%	\$	%	\$	%	\$	%
National								
Magazine								
Network								
Total national								
"A" Market:								
Spot TV								
"B" Market:								
Spot TV								

Figure 3. Cost Summary Chart

- 4) Flowchart: The flowchart is a visual summary of everything in the media plan for a whole year. The flow chart should contain the following elements:

4.1) Media

Show what media will be used, at what level and when the advertising will appear via that medium. That should include specific media vehicle and the size and position of the advertisement (for example: size of newspaper advertisement-full page, half page, or quarter page; position of newspaper

advertisement-back cover of main section,
page two of classify section, etc.)

4.2) Budget

The budget for each medium should be included on the flow chart, so the readers can compare easily the cost of each medium advertisement.

4.3) Reach and Frequency

Reach and frequency should be calculated based on the product target audience and filled in the bottom part of the flow chart.

- 5) Target group analysis: The target audience should be used by the standard demographic parameters of gender, age, income level, education, and professional status.

One hypothetical example includes a target group analysis of Gucci watch.

- Gender
 - Male: 30%
 - Female: 70%

- Age
 - 15-19: 5%
 - 20-24: 15%
 - 25-29: 40%
 - 30-34: 20%
 - 35-39: 15%
 - 40 or older: 5%
- Income level (US dollar)
 - 30,000 a year or less: 2%
 - 30,000 to 99,999: 60%
 - 100,000 or more: 38%
- Education
 - 3 year of college or less: 20%
 - college degree: 50%
 - Post-graduate degree: 30%

Thus, Gucci's selected target audience for advertising is a female between 20 and 39 years old, with a college degree, and earning of more than 30,000 dollars a year.

CHAPTER THREE

METHODOLOGY

This project utilizes data from two primary sources:

1) in-depth interviews with relevant persons in Toyota Motor Thailand, Co., Ltd. and its advertising agency, Dentsu Thailand, Co., Ltd. 2) research articles, private institutions, company websites, public libraries, textbooks, newspapers, magazines, business journals, academic journals, advertising and marketing materials from Toyota Motor Thailand, Co., Ltd. and Dentsu Thailand, Co., Ltd.

Definition

An important part in developing a successful advertising plan involves creating effective media programs. To understand the part of media planning, some definitions need to be noted.

Reach is the unduplicated proportion of a defined audience that is exposed to an advertising message. Usually this number is measured in terms of a four-week period. In other words, reach can be thought of as the number of customers and prospective customers who see or hear advertising in each month (Taylor, 1989).

Frequency is the number of times, inside that four-week period, that the advertising is seen or heard by customers and prospective customers. Frequency can be shown in two ways: 1) the average number of times a member of target audience sees or hears the advertising, i.e., average frequency and 2) as a frequency distribution. The idea behind a frequency distribution is that not everybody in the target audience will see or hear the advertising the same number of times (Taylor, 1989). For example: the data below describes the frequency of the audience reached in a 4-week period. Obviously, the average frequency here is four times, but the range is wide.

Once	10%
Twice	10%
Three times	10%
Four times	40%
Five times	10%
Six times	10%
Seven+	10%

Cost per thousand (CPM) is a widely used tool in making media comparisons in terms of cost for a unit of

advertising by audience size in thousands. It is calculated as follow:

$$\text{CPM} = \frac{\text{Cost for a unit of advertising}}{\text{Audience size in thousands}}$$

For example, a magazine delivers an audience of 1,000,000 and charges \$10,000 for a black and white page, the calculations look like this:

$$\text{CPM} = \$ \frac{10,000}{1,000} = \$ 10 \text{ CPM}$$

Gross per rating points (GRPs) is a measurement of broadcast advertising "weight" in a market. Gross per rating points are calculated by multiplying the rating of the program times and the number of times the commercial was shown on that program in a four week period. Gross per rating points are useful in comparing widely different TV advertising schedules in different market (Taylor, 1989). For example, a TV schedule that airs a commercial once a week on a program with a rating of 20 earns 80 GRPs.

CHAPTER FOUR

ADVERTISING PLAN

Advertising Objectives

The objectives of the Toyota Camry program are:

1) to position brand awareness of the Toyota Camry as a new and innovative vehicle; 2) to foster brand image of Camry as an "upstyle" car; 3) to conduct "trendy" activities which consistently target younger customers; 4) to increase consumer preference; and 5) to stimulate the consumer's purchase decision.

Target Selection

The target audience selection is:

- Male or Female: thirty years or older;
- Middle/Upper income group;
- Bangkok/Urban up country area

(Population: 4,071,440).

AC Neilson calculated the specific media consumption of the selected target audience in 2002 as following:

Table 1. Media Consumption of Target Selection by Media Type

Media Consumption	Percent
Viewed TV yesterday	93%
Read newspaper yesterday	47%
Listened to radio yesterday	40%
Read magazine weekly	21%
Log in internet weekly	7%
Go to a cinema weekly	3%

Source: AC Neilson (Thailand) year 2002

Table 2. Radio Consumption of Target Market

Radio Consumption	Percent
Radio heavy (everyday)	38%
Radio medium (2-5 days a week)	22%
Radio light (2 days a week)	5%
Radio never	45%

Source: AC Neilson (Thailand) year 2002

In order to more fully understand the nature of media consumption of the selected target audience, the Thai media structure needs to be understood. The four

main media channels in Thailand are television, newspapers, radio, and magazines.

For the purpose of the following statistics the AC Nielson ratings are used. There are six national television channels.

Table 3. TV Consumption of Target Market by Channel

Channel	Percent
Channel 3	30%
Channel 5	11%
Channel 7	38%
Channel 9	11%
Channel 11	2%
ITV channel	8%

Source: AC Neilson (Thailand) year 2002

"Primetime" is based on audience penetration and cost per rating of the program during that period. "Prime time A", refers to the highest audience penetration and to the lowest cost per rating during the weekday and weekend time slot from 6:00 p.m. - 10:00 p.m. "Prime time B", refers to moderate audience penetration and moderate cost per rating during the weekend time slot from 9:00 a.m. - 5:00 p.m.

Table 4. TV Consumption of Target Market by Program Type

Program Type	Percent
Thai drama	28%
Feature films	20%
Foreign drama	12%
Variety/Game shows	8%
News	8%
Sports	8%
Children	8%
Music	4%
Documentaries	4%

Source: AC Neilson (Thailand) year 2002

The Thai newspapers, Thai Rath, Daily News, Khao Sod, and Ma-ti Chon, possess 32.3%, 20.6%, 4.9%, and 4.2% of selected target audience share respectively in the daily newspaper category.

For radio, the news channels which are the main marketing channels (including F.M. 97.0 Trinity Radio, FM. 96.5 Business Radio, and FM. 90.5 National News) has a 17% share. Thai folk song channels (including FM.95.0 Looktung, FM.90.0 Looktung We-Thee Thai) has a 16% share. Thai modern music channels (including FM.106.5 Green Wave, FM.103.5 Modern Love, and FM.91.5 Hot Wave) has a 15% share. The international music channels (FM. 105.5

Easy, FM.101.5 Chula Radio, FM. 94.5 Love FM., and FM. 105.0 Smooth FM.) has a 3% share. Traffic news (including FM.100.0 Jor Sor 100 and FM.96.0 City Radio) has a 2% of target audience share.

Message Strategy

The affective creative approach will use successful Thai business people and famous endorsers. Their public testimonies are designed to increase consumer preference and stimulate the consumers' purchase decision. Endorsers can induce positive attitudes toward Toyota and Camry, and the personality and characteristics of endorsers can be associated with the Camry brand image.

Media Objective

To fulfill the Toyota media objective, a high level of reach and frequency against the selected target audience is required. A reach of 86% is expected from the television campaign during the first period of 2004 (Jan-April 2004), which includes a combination of print campaigns, radio spots, and magazine ads.

Media Strategy

Past statistical data on advertising spending by competitors on their midsized car models is a good guideline to determine how many media dollars Toyota should spend on the Camry advertising campaign and how much to allocate to specific media (TV, radio, newspaper, magazine, outdoor, cinema) and selected media channels (Thai drama, teen radio channels, automotive magazines, and the sports column in the daily newspapers).

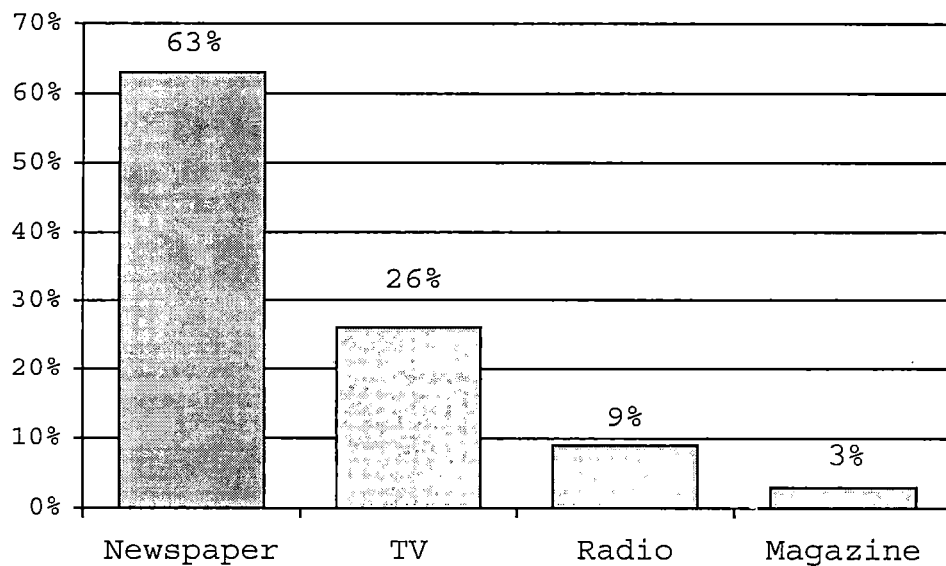


Figure 4. Media Selection of Honda Accord with Media Budget 35 Million Baht

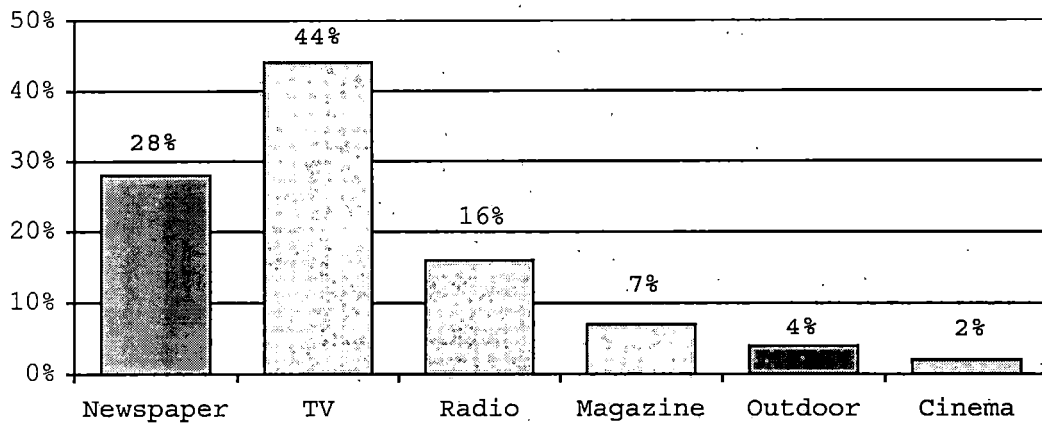


Figure 5. Media Selection of Nissan Cefilo with Media Budget 35 Million Baht

Toyota Camry considers Nissan Cefiro, Honda Accord, Chevrolet Zafira, BMW 318i and Mercedes Benz C-Class as its main competitors. The following exhibits show the

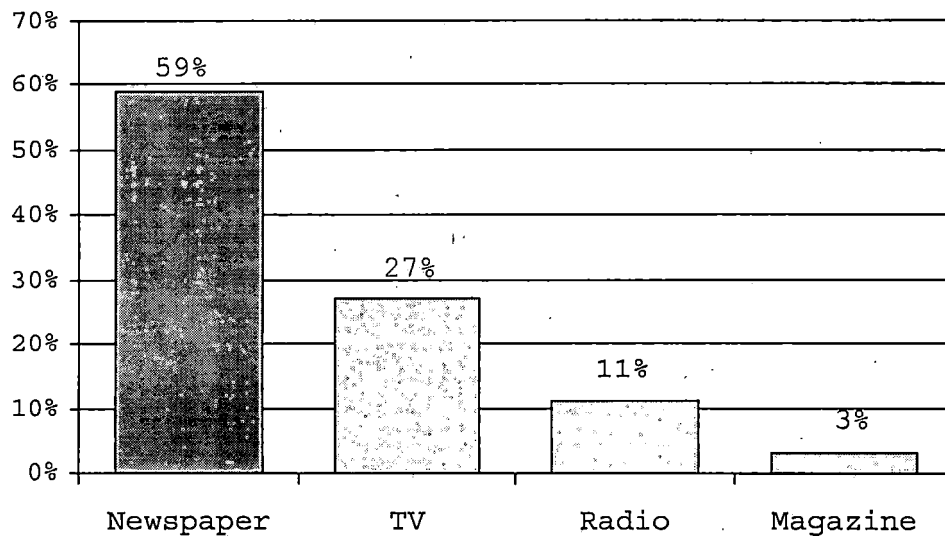


Figure 6. Media Selection of Chevrolet Zafira with Media Budget 86 Million Baht

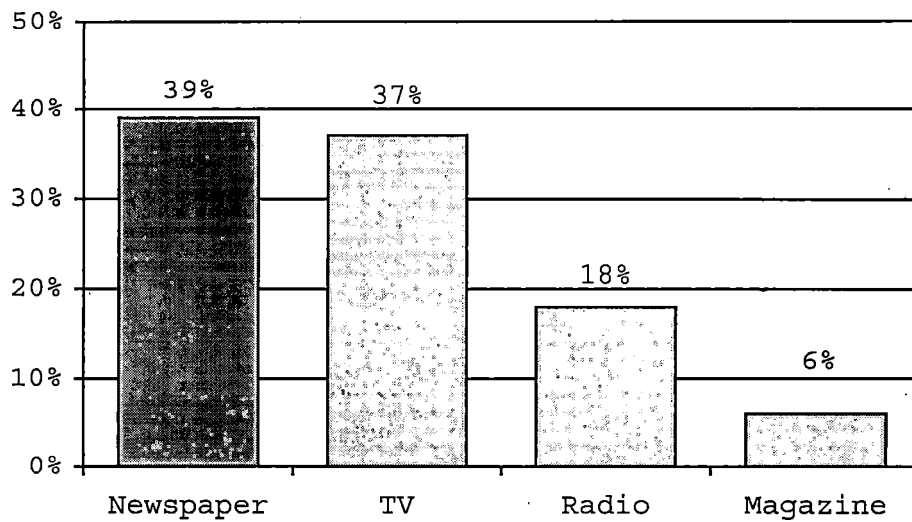


Figure 7. Media Selection of Mercedes Benz C-class with Media Budget 25 Million Baht

competitors' choice of media in 2002 (exchange rate, as of May 2003, is approximately 40 baht to the US dollar).

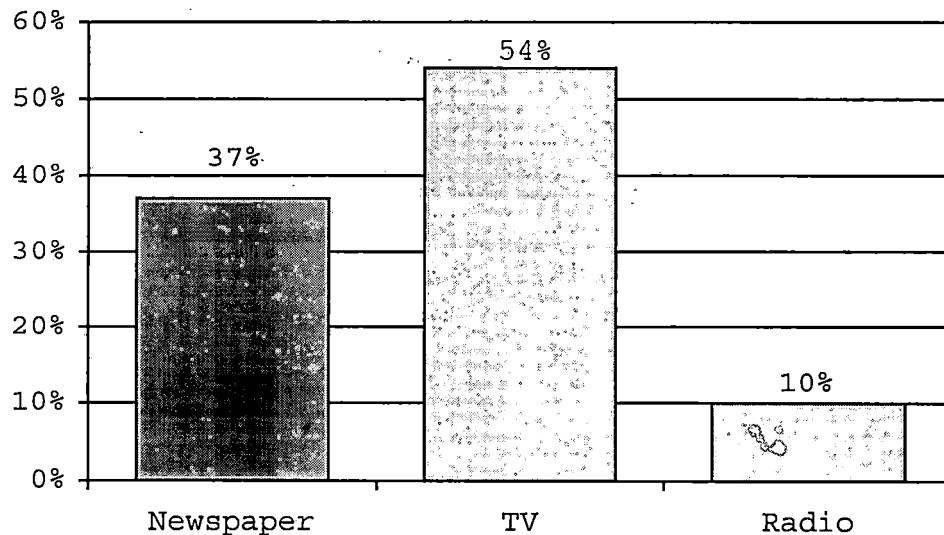


Figure 8. Media Selection of BMW 318i with Media Budget 25 Million Baht

Media Budget Allocation

Toyota plans to spend 60 million bahts in 2004 by each medium as follow:

Table 5. Media Budget Allocation by Medium

Medium	Budget (Bht)	Budget (%)	GRP*	Reach**
Television	27 millions	45%	1,540	85%
Press	21 millions	34%	-	70%
Radio	8 millions	14%	-	-
Magazine	4 millions	7%	-	-
Total	60 millions	100%		

*GRP (Gross rating point) is a measurement of broadcast advertising "weight" in a market. Gross per rating points are calculated by multiplying the rating of the program times the number of times the commercial was shown on that program in a four week period.

**Reach is the unduplicated proportion of a defined audience that is exposed to an advertising message.

Table 6. Media Budget Allocation by Period of Time

Period	Date	Budget (Bht)	Budget (%)
Pre-launch	Mar 2004	5 millions	7%
Launch period	April-June 2004	36 millions	62%
Follow up I	Jul-Sep 2004	7 millions	11%
Follow Up II	Oct-Dec 2004	12 millions	20%
Total		60 millions	100%

Media Mix and Type

Based upon past competitors' media spending, the media strategy in this study considers television, radio, newspapers, and magazines as the main media vehicles. The media budget will be allocated to television (45%), newspapers (34%), radio (14%), magazines (7%).

Media Format or Media Classes

The media strategy in this study will utilize two perspectives. The first perspective focuses on mass media to create a brand awareness of the Toyota Camry brand as the new, innovative vehicle. The primary media are television, newspapers, radio, and magazines. According to AC Neilson (Thailand) year 2002, television provides a high impact of nationwide coverage since 93% of the target audience watch television everyday (Surin, 2002). Newspapers provide more product information than other mass media. Radio provides high frequency communication with lower cost and reaches 40% of target audience as everyday listeners (Surin, 2002). Magazines support other mass media to promote a product image, while providing product information.

The second perspective focuses on exclusive media including special "scoops" in magazines, international concerts, and banner ads at golf driving ranges in order to uphold the Camry image as a superior car to European cars.

Geographic Use of Media

The methodology of execution for all media selection will primarily involve "teasers" during the first period of launching. For television, advertisers will release 15-second TV commercials (teasers) for the first burst of advertising (launch) and follow up with 30 second thematic commercials subsequent to the "teasers" period. A reach of 55% will be achieved from 15 second TV commercials (teasers) during the first 8 days of launching. A reach of 86% will be achieved with the thematic commercials in the subsequent 10-week period.

For radio, advertisers will release 8-second radio commercials "teasers" in "sandwich" position (see the following example) for one week. Next, it will release 30-second thematic radio commercials, and support radio programs that report for traffic news. Surmanek (1985) indicated that radio program sponsorship is an

announcement appearing within a program as opposed to the break. "Sponsorship of a program usually requires a majority purchase of the announcement available within program or program segment. Sponsoring advertisers are generally given one or more commercial spots at the beginning and/or end of a program" (Surmanek, 1985, p. 88).

Example

"Sandwich" position is the last commercial spot before beginning the radio program and the first commercial spot of the commercial break.

The beginning commercial spot: 8 second Toyota commercial

Radio program: program

The first commercial spot: 8 second Toyota commercial

Media Tactic and Media Planning Guideline

1) Media Vehicles:

TV is involved with 15-second and 30-second loose spots.

A loose spot is defined as the purchase of commercial time on a market-to-market, non-network basis on either network affiliated station or independent station (Surmanek, 1985).

- Channel 3
- Channel 5
- Channel 7
- Channel 9

Radio also utilizes loose spots and other program sponsoring segments such as breaking news, traffic report, and interactive programs between the radio station and its audience.

- International music
 - FM 94.5 Love FM
 - FM 105.0 Smooth 1-0-5
 - FM 105.5 easy FM
- Thai modern music
 - FM 106.5 Green Wave
- News
 - FM 90.5 Nation News Radio
 - FM 97.0 Trinity Radio

Newspaper advertising uses 4-color full page ads placed in primary titles and secondary titles in the beginning of the launch period. Black and white full page ads are placed in primary titles in subsequent periods.

- Primary titles
 - Thai Rath (Thai daily)
 - Bangkok Post (English daily)
 - The Nation (English daily)
 - Hrunglethep Turakij (Business daily)
 - Prachachart Turakij (Business bi-weekly)
- Secondary titles
 - Daily News (Thai daily)
 - Matichon (Thai daily-politic news)
 - Phoo Jud Karn Daily (Business daily)

2) CPRP Summary: Media access is available in almost every advertising agency. Each agency usually gets media discount from media suppliers. Discounts usually are given to the advertising agency for volume, frequency, and buying power. In fact, competition among media is very intense, so media suppliers tend to give greater incentives for such buys. For example, magazine publishers offer lower prices to advertising agencies who place ads in several of its publications and who take a long term buying contract. Thus, media cost through each agency is different based upon their buying power,

relationship with media suppliers, and media buying efficiency.

For the purpose of comparing Toyota with competitors' media choices, CPRP (cost per rating point) net and CPRP gross are used in this advertising plan. The proposed media tactic plan set CPRP at 14,000 net and 15,400 gross.

CPRP (cost per rating point or cost/GRP) is one of many efficiency measures, which is used to compare media schedules. Although CPRP provides the relative merit of the media vehicle and media schedule as CPM (cost per thousand), CPRP has the added advantage from the media expenditure to GRPs (gross per rating point).

CPRP is a tool to estimate the total cost of a television schedule within its target market. For example, dividing CPRP into the total budget to determine how many GRPs are affordable within a given media budget. If the television budget is 1,500,000 bahts and television CPRP is 15,000 bahts, 100 GRPs are able to buy in this media plan.

$$\text{CPRP net} = \text{cost n} / \text{GRPs}$$

$$\text{CPRP gross} = \text{cost g} / \text{GRPs}$$

$$\text{Cost n} = \text{media cost after subtract agencies discount}$$

Cost g = standard media cost

(for comparing with competitors' media choice)

3) Media budget allocation:

Toyota plans to allocate the 2004 media budget as follows:

Table 7. Media Budget Allocation by Channel

Channel	Percent
Channel 3	35%
Channel 5	10%
Channel 7	35%
Channel 9	15%
ITV channel	5%
Total	100%

Table 8. Media Budget Allocation by Program Type

Program Type	Percent
Drama	35%
Film and series	25%
Variety and game shows	15%
News	15%
Sport	10%
Total	100%

Table 9. Media Budget Allocation by Time Slot

Time Slot	Percent
Prime time A*	60%
Prime time B**	30%
Other time	10%
Total	100%

*Prime time A refers to the weekday and weekend time slot from 6:00 p.m. - 10:00 p.m.

**Prime time B refers to the weekend time slot from 9:00 a.m. - 5:00 p.m.

4) Cost summary chart: (see the attached page)

presented by quarter and shows the percentage and split of money for each medium.

In figure 9, 45% of the first quarter media budget and 49% of the second quarter media budget is allocated to television. Since television is the strongest advertising medium that offers the combination of sight, sound, and motion characteristics and appeal to the large targeted audiences, it can reposition the new Camry as the most innovative car and increase the customer preference in the shortest period of time. Thus, almost 50% of the media budget is allocated to television during the first two quarters (launching period) and the last quarter of year (considering

Cost Summary Chart										
(' 000 bath)	1st Q		2nd Q		3rd Q		4th Q		Total	
	Baht	%	Baht	%	Baht	%	Baht	%	Baht	%
Television Teaser Thematic Television Total	1,890	45	17,500	49	1,800	26	5,800	45	1,890 25,100 26,990	45
Newspaper Teaser Thematic Newspaper Total	1,470	35	10,000	28	4,900	71	4,100	32	1,470 19,000 20,470	34
Radio Teaser Thematic Radio Total	570	13	6,000	17	700	10	1,500	12	570 7,500 8,070	14
Magazine Teaser Thematic Magazine Total	300	7	2,000	6	190	3	1,500	12	300 3,690 3,990	7
Total	4,230	100	35,500	100	6,890	110	12,900	100	59,520	100
Percentage by period of time	7 %		62%		11%		20%		100%	

Figure 9. Toyota Camry Cost Summary Chart

the vast buying power during the New Year and Christmas season).

Newspapers are considered the secondary medium after television. Newspapers offer the greatest source of product information to the targeted audiences. Therefore, 35% of the first quarter media budget, 28% of the second quarter media budget, and 32% of the last quarter media budget go to newspaper advertising. Newspapers become the main medium (71%)

to maintain positioning of Toyota Camry for the third quarter because they provide a repeated exposure in a less expensive medium than television. After a target audience becomes familiar with the product through a two-dimensional medium of sound and sight on the television screen, one-dimensional ads using only sight in newspapers would be an efficient medium, costing less to remind customers of the TV commercial that they had seen before. The newspaper ads would show a still picture (single frame from the TV commercial) which the customers would readily recognize. In addition, the captions below the still picture would resonate with the jingle from the commercial.

Radio and magazines provide the advertising exposure opportunities beyond those offered by the first and secondary media in terms of extending the creative effectiveness of the advertisement through music and the advertising jingle. The advertising jingle and music should get the targeted audience attention easier and make those ads at the forefront of the customers' mind.

Magazines access special segment audiences because each magazine has its own characteristic that appeals to different target audiences. Magazines are divided by the interest category since they carry material appropriate to the specific target group. For example, woman's magazines include Good Housekeeping and Glamour; Business magazines include Business Week and Fortune. Magazines have a long life, sometimes a month or more on the coffee table, so they have a high reach potential from a large pass-along audience or secondary audience. In addition, some magazines are even designed to be used frequently such as TV guide.

- 5) Media flowchart (see the attached page) is made based on the available media budget (60 million bahts), AC Nielson rating and statistics.

In figure 10, note that creative "teasers" are used in a variety of media (television, newspapers, radio, and magazines). Approximately 7% of the media budget in each medium is used for "teaser" type commercials. The plan uses "teasers" in 15-second TV commercials, full page and 4-color newspaper ads, 8-second radio commercials in "sandwich" positions,

Toyota Camry Media Flowchart												
	M a r	A p r	M a y	J u n	J u l	A u g	S e p	O c t	N o v	D e c	Bahts	%
Television												
Teasers 15 sec.	280 GRPs										1,890	7
Thematic 30 sec.			1280 GRPs								25,100	93
Total	1560 GRPs										26,990	100
Newspaper												
Teasers (Full Page, 4-color)	6 insertions										1,470	7
Thematic (Full Page, 4-color)			37 insertions								10,000	49
Thematic (Full Page, Black & White)			45 insertions								9,000	44
Total			88 insertions								20,470	100
Radio												
Teasers 8 sec. ("sandwich" position)	115 spots										570	7
Thematic 30 sec			750 spots								7,500	93
Total			865 spots								8,070	100
Magazine												
Teasers (Full Page, Back cover)	3 insertions										300	8
Thematic (4-color, inside-page)			60 insertions								3,690	92
Total	3 insertions										3,990	100
Total 2004 media budget											59,520	

Figure 10. Toyota Camry Media Flowchart

and full page and 4-color back covers of magazines to get the audiences attention and interest.

The first medium in this Toyota Camry media flowchart is television, which can maximize advertising impact through the utilization of sight, sound, and

motion with 1,280 GRPs (gross per rating point) from April-December 2004.

The secondary medium, newspapers, can reach almost every level of the people, but its focus is on the better educated, higher-income people in the white-collar business classification which is considered to be Toyota Camry's target audience. Consequently there are 37 insertions of full page, 4-color thematic ads (50% of the newspaper advertising budget) during the second quarter. In the second half of 2004, 45 insertions of full-page, black and white thematic ads are used to maintain the Camry position throughout the year (44% newspaper advertising budget).

The supporting media are radio and magazines. From April to December 2004, 750 radio spots and 60 insertions using magazine ads are presented. Specific audiences are reached through the selection of radio programming formats and the selective magazine advertisements.

CHAPTER FIVE

SUMMARY

The advertising plan presented in this paper is created for Toyota Motor Thailand Co., Ltd. to maintain the position of the Toyota Camry as a luxurious but affordably priced sedan in the Thai mid-sized car market. In view of the fact that Camry has been the best-selling car in the mid-sized sedan segment in Thailand since 1999 (Teeradech, 2002), the advertising plan presented in this paper is created for Camry to maintain its leadership position and to achieve its selling target of 9,000 units by year 2004 (March 2004- December 2004) for an average 1,000 units per month.

Toyota Motor Thailand would like to establish the Camry with new buyers as a luxury car. Increasing the desirability of Toyota Camry will support an increase in the price of the Camry from 1,189,000 baths to 1,479,000 baths while obtaining a larger portion of the European car market. If effective, the advertising plan could be a great tool to raise its brand image as an upscale car and enhance the Camry market share.

This advertising plan is developed based on two primarily data sources. The first source is the advertising and marketing agency, Dentsu Thailand, Co., Ltd., which represents Toyota Motor Thailand, including internal interviews with relevant persons in the advertising agency. The second source of data is broader and is taken from research articles, private institutions, company websites, public libraries, textbooks, newspapers, magazines, business journals, and academic journals. Data from the above sources are identified throughout the paper.

The advertising plan is involved with three main aspects of the advertising framework. The first aspect is selecting the advertising objective and advertising target audience. The second aspect is the development of a message strategy using an affective, creative approach to successful appeal to the emotion of consumers by using Thai business people and famous endorsers. This affective creative approach is aimed at building the social status of the car by giving the impression that its owners have a prestigious lifestyle. The third aspect is the development of a media strategy and media plan. An 86% reach from the television campaign during the first

quarter of 2004 is set as Camry's media objective. To attain this media objective, AC Nielson rating statistics and past advertising spending information on competitors' mid-sized car models are utilized to formulate the Camry media strategy, media plan and media budget allocation.

The execution of the media plan begins with the advertising budget allocation by medium (45% of media budget is allocated to television, 34% to newspapers, 14% to radio, and 7% to magazines). Approximately 7% of the media budget is used for "teasers" type commercials during the first quarter. Basically, the marketing program advertises most heavily in the second quarter (launching period) with 62% of total budget, dropping off to 11% of media budget during the third quarter, with a slight increase to 20% of budget during the last quarter.

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